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CABLE HUSTON_{LLP}

JAMES E. BENEDICT

December 4, 2015

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VIA EMAIL AND REGULAR MAIL

Claire Hong
United States Environmental Protection Agency, Region 10
ECL-122
1200 Sixth Avenue
Seattle WA 98101
Hong.claire@epa.gov



Re: JH Baxter LLP Response to Invitation to Negotiate Pre-Remedial Design ASAOC –
Quendall Terminals Site

Dear Ms. Hong:

This letter responds to Ted Yackulic's letter to JH Baxter LLP, dated October 8, 2015 regarding a good faith offer to negotiate a pre-remedial design ASAOC for the Quendall Terminal Site (Site) and to perform the pre-Remedial Design Study Scope of Work attached to the letter (RDS SOW).

The RDS SOW is an important next step to further define the extent of upland and sediment contamination subject to remediation at the Site. Completion of the RDS SOW will result in obtaining additional data to refine the conceptual site model, assist in defining the scope of the preferred remedy and facilitate preparation of the Proposed Plan.

Although JH Baxter feels strongly that the RDS SOW should be completed prior to issuing the proposed plan JH Baxter feels equally strongly that the RDS SOW should be performed and funded by identified responsible parties that have not yet participated in performance or funding of remedial investigations or the feasibility studies at the Site. JH Baxter and Quendall Terminals have conducted and funded extensive remedial investigations and studies at the Site over the past 20+ years. JH Baxter has expended well over \$6 million to conduct these studies under the direction of the EPA and the Washington Dept. of Ecology and to pay for oversight costs. The other identified PRPs that have not participated in or provided funding for these efforts should no longer be allowed to continue to sit on the sidelines and must begin to bear the costs for which they are also responsible. The RDS SOW will provide direct benefit to these parties in providing data for use in potential remedy selection and in remedial design. These parties should perform and pay for this activity.

JH Baxter will cooperate fully with these parties and EPA in the implementation of the ASAOC and the completion of the RDS SOW. JH Baxter will provide all necessary access to the Site and access to all available site related information. JH Baxter will make its technical consultants available for consultation with the performing PRPs. However, JH Baxter has provided substantial funding for past

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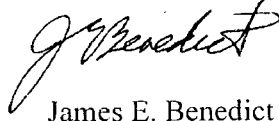
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remedial investigation efforts and will not provide additional funding now for the RDS SOW. It is time for other parties to fund this study.

This response is a good faith offer and shall not be construed as an admission of liability or be used as evidence in any proceeding for allocation of costs or liability in connection with the Site.

Very truly yours,

A handwritten signature in black ink, appearing to read "J. Benedict", written over the typed name.

James E. Benedict

cc: Georgia Baxter
Lynn Manolopoulos